



Self-Insurance Board of Trustees
March 30, 2016 2:00 p.m.
City Hall 5th Floor Conference Room
255 W. Alameda
Tucson, Arizona 85701

Legal Action Report

1. **Call to Order** by Hector Encinas, Chairman, at 2:02 p.m. **Roll Call** by Charlene Savoca, SITB Secretary, a quorum was established.
2. **Introductions** were made of those present.
3. **Approval of Minutes- October 19, 2015** motion by Steve Holland, duly seconded by Frank Frey. (All Board Members present and approved.)
4. **Call to the Audience - (no comments)**
5. **Financial Statements**
 - a. FY 2016 Annual Report- Aggregate claim liability added this year. First positive net position in 15 years. Highlighted key accomplishments and goals. Next year will include sub-limits in annual report.
 - b. FY 2016 2nd Quarter Report –review of revenues, expenses and changes in net position for six months ending December 31, 2015: total operating revenues \$7,098,796.00; total operating expenses \$5,075,544.00; operating income (loss) \$2,023, 252.00; total non-operating revenues (expenses) \$1,266,861.00; changes in net position \$3,290,113.00; total net position at beginning of year \$830,874.00 and total net position \$4,120,987.00.
 - c. Tort Liability Payment Update- involuntary tax payment included in Property Tax Levy for FY 2016 was \$2,500,001 was approved by the Arizona Property Tax Oversight Commission.
6. **Risk Management Updates**
 - a. Staffing- since October 19th there has been a program realignment in which Workers' Comp is now with Risk Management under Finance.
 - b. ICA Insurance Authority- on April 14th will have meeting with new ICA Commission; looking to renew application.
 - c. Premium Insurance Update- number of applications coming up soon; there is a market for excess liability and rates look stable.
 - d. EM – Insurance Litigation Recovery- after an extensive search, Eisenstein Malanchuk LLP was not able to find any potential insurance recovery and their retainer was terminated.
 - e. Departmental Quarterly Loss Run- review by Central Safety Services, Liability and Workers' Comp.
7. **Risk Management Policy** - policy never existed. Proposal for an Administrative Directive on Risk Management Policy has been created and will be transmitted for approval. The Administrative Directive will establish policies and procedures that safeguard human lives, protect City property and specify responsibilities for departments and employees. The Board was asked to review and send any comments to SITB secretary by April 4th.
8. **Board Member Terms** - current board member terms will expire September 2017. Board members were asked to think about serving another 4 years and to provide in writing their answer; if not serving again, to provide recommendations.
9. **Unemployment Insurance – Program Overview** – Angelika Reiss, HR Manager, HRIS and Employee Records, and Richard Clinesmith, Regional VP for Employers Unity, made presentations regarding the City of Tucson's unemployment metrics from January 1, 2012 to December 31, 2015.
10. **Future Agenda Items** - Board Members were asked to email SITB Secretary future Agenda items. Richard Byrd, will make a presentation at the next Board Meeting on the Remediation program.
11. **Adjournment** - at 4:36 p.m.